

The Republican tax cut is so large it would undo our fiscal discipline and imperil our prosperity. It would crowd out our commitments to pay down the debt, to save Social Security, and to strengthen and modernize Medicare with a long-overdue prescription drug benefit. And it would demand drastic cuts in defense, education, law enforcement, agriculture, and the environment.

Let's be clear on what exactly this fight is about and what it isn't. It's not about whether to cut taxes. It's about whether to have tax cuts that save Social Security and Medicare, or tax

cuts that undermine them; tax cuts in the national interest, or tax cuts for special interests.

I will not sign a tax plan that shortchanges our seniors and our young people. I will not sign a plan that signs away our future. If Congress passes that kind of plan, I will veto it.

We should put first things first. We should pay down the debt, save Social Security, strengthen and modernize Medicare, and keep our crucial national commitments. We can do these things and still have the right kind of tax cuts. I urge the Congress to put aside plans that are plainly wrong for America and to work with me for what's right.

Remarks in a Discussion With Regional Independent Media in Sarajevo July 30, 1999

Postwar Bosnia

[The discussion began with a Sarajevo journalist thanking the President for his action in Bosnia and his support for democracy. He asked about the leadership of President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro) and U.S. efforts to help deliver indicted war criminals to the U.N. War Crimes Tribunal.]

The President. Let me answer the second question first because I think it leads us back to the first question. We were the principal supporter of creating this War Crimes Tribunal, and we have made very strong contributions to it, financial contributions. And we have worked hard to cooperate with it. So the answer to that is, we have cooperated strongly.

We also have been a part of an operation in Bosnia that has arrested, I think, about 29 of the 80 people who have been indicted. In the case of Mr. Mladic and Mr. Karadzic, they're not in the American sector. And when the United Nations accepted the mandate of going into Bosnia, the mandate was that they could and would arrest any people who had been indicated by the War Crimes Tribunal if they, in effect, came across them, but they wouldn't start another war to get them. That was basically the mandate. And I think we should continue to do everything we can to arrest people. But I think if—there's no question that the effectiveness, the impact, of both those

men has been, in effect, ended or dramatically reduced.

Now, to go back to your first question. You said, is Milosevic the only nationalist politician who's causing problems? I don't think you could go that far, but I believe that basically the misery of Bosnia, the war, the 4-year war, and what happened in Kosovo is because of his 12-year rule and because he had a policy to gain and enhance his power based on selling Greater Serbia to people, the idea that anybody who wasn't a Serb was an enemy, had no political legitimacy, that their religion was no good, their ethnic background was no good, it was okay to disregard them and uproot them, and maybe okay to kill them.

And here in Bosnia, 250,000 people died, and a quarter of a million people were made refugees. In Kosovo, because we acted more quickly, not so many people died. We know of 10,000, although there are a lot of mass graves that have been dug up, and people have been moved, so we don't know for sure. But 800,000 or more refugees—most of them have gone home in Kosovo, unlike Bosnia, where, because the thing went on longer here, they are taking longer to go back.

So I say, you know, each—the politicians, when they run for office, there are all kinds of shades, you know. There are people who may be nationalists but still prepared to work with

people of different ethnic groups, different religious backgrounds. And I think that the difference is that he was willing to have ethnic cleansing and even mass killing to achieve his objectives. And I think that's wrong.

Then you asked me if I thought Bosnia, the people could actually be reconciled. Yes, I believe so, but I think we have to keep giving people something to work for. It's not enough to go around and tell people, after this sort of killing and bitterness, that, "Now, be nice people," you know, "Just do the right thing." You have to give them something positive, some reason to work together.

And what I saw today, with the Bosnian Presidency, was that they were—you know, sure, there's still tensions. There are all these refugee-return issues, for example—big issues out there. But they were much more comfortable together and, obviously, had more in common than they did 2 years ago. And I think that's a plus.

Montenegro

[After describing current conditions in Montenegro and noting U.S. support for the territorial integrity of the Federal Republic of Yugoslavia (Serbia and Montenegro), a Montenegrin journalist asked the President if he would support Montenegrin independence or work against it.]

The President. Well, first of all, you have asked a very good set of questions because—but I think I need to back up and say, we very much appreciate the role that Montenegro has played in these last difficult months. It has been in a very hard position. It has been vulnerable to invasion, as you pointed out. And the government of President Djukanovic maintained a position of independence and the position that Montenegro should acquire more and more autonomy and should be a democratic and multi-ethnic society; that's what we believe.

Now, here's the problem. Obviously—and you've pointed out quite properly that we shouldn't punish Montenegro with withholding aid, reconstruction aid for example, just because it's part of Yugoslavia; and that's a good example of the dilemma.

Here's what I'm interested in. I want the people of Montenegro to have maximum freedom and maximum self-determination. But I don't think it's a good idea for the United States, or for Western Europe generally, to get in the business of redrawing national borders right

now. Who knows what is going to happen in the future? I think—we need to stand for a certain set of principles.

But what I want to say to all the ethnic groups of the Balkans, and all of southeastern Europe, is that we have to build a future in which your safety, your right to freedom of religion, freedom of speech, access to education, access to a job, does not depend upon your living in a nation where everybody inside the nation's borders has the same religion you do and the same ethnic group you do. And in the past, when outside powers have attempted to redraw the lines of the Balkans and impose that, the results have been very painful for the people here. It's led to a lot of suffering.

So I don't want to strip any people of their democratic aspirations, and I don't think it's right for the United States to do that. But I also don't think it's right for us or for any other outside power to come in and, in effect, say, "Well, because we don't like Mr. Milosevic, we're going to redraw all the national boundaries," because the real trick here is to preserve democracy, self-determination, freedom from religious or racial or ethnic persecution in all these countries, without regard to the national borders.

And what we need is—and let me just make one other point. If we had the right sort of economic and political integration in southeastern Europe and then the right ties between southeastern Europe and the rest of Europe—central and Western Europe—then it wouldn't matter so much one way or the other.

That is, if you knew human rights were going to be protected, and if you knew everyone in this region was going to be tied together economically and politically, across national borders, and that the region would be tied to Europe and would have a future with the emerging European institutions, then the actual status—whether you were independent or autonomous, for example—wouldn't be nearly so important.

And what I've been afraid of—the reason I've been reluctant to say anything about territorial borders is, there is a whole history in the 20th century of disaster happening in the Balkans because of outside powers redrawing the national borders. We have to change the nature of national life and the nature of international cooperation, and then I believe, over the next few years, whatever is right about the national

borders will settle down. The people will somehow determine that, not outsiders. That's what I think will happen.

Serbia

[The journalist pointed out that the Serbian infrastructure and economy had collapsed. He asked how stability could return while Serbia was denied financial aid and the how the President planned to deal with strong anti-American sentiments in Serbia. He also asked about past meetings between the President and Mr. Milosevic.]

The President. In Paris.

Q. *[Inaudible]*—in Paris, yes. So I—

The President. And he was, of course, in the United States, at Dayton.

Q. Yes, but you met him in Paris. And I think that you will never meet him again because he is now an indicted war criminal. But I want to ask your personal impression about Mr. Milosevic. How do you keep him in your mind—as a rival, stubborn rival? You hope, now, for almost—

The President. Let me answer you that. You asked, first of all, about aid to Serbia because the Serbs have been hurt very badly by this war. And then you ask about—

Q. The anti-American mood.

The President. —the anti-American feeling, and then my personal impressions of Mr. Milosevic.

The international community has taken the position that we would support humanitarian assistance to the Serbian people, because we realize that we have very badly damaged Serbia, economically, and stretched the social fabric in this conflict. We would like very much to—the United States, in particular, would like to participate in the rebuilding of Serbia, because we have many Americans of Serbian heritage and because we want to make it clear that we're not anti-Serb; we were against Mr. Milosevic's policies. But we do not believe at this moment we can or should go beyond the humanitarian aid, for the simple reason that if we do, it will strengthen Mr. Milosevic's hold on power. So it's a terrible dilemma. But the people of Serbia need to find some way to change their government.

He has been charged by the War Crimes Tribunal. The evidence is overwhelming. The reason we acted so quickly in the case of Kosovo

was because of the horrible experience we had in Bosnia, and I was President for 2 of those years. It was a nightmare, and we only got the international community galvanized to take action after Srebrenica. So I think that, if the people of Serbia want us to be involved beyond humanitarian aid, then there needs to be a change in the government.

Now, in terms of anti-American feeling, I can only say I understand it, even though we didn't act alone and all of our European allies agreed with us. We have the largest military, and we dropped the most bombs. And unfortunately, there were some innocent civilians killed in the bombs, and I feel terrible about it, and I understand it.

But I just would ask the people to consider the position I was in. When I first became President, I tried talking with Mr. Milosevic for 2½ years. And tens of thousands of people died in Bosnia. Here, we knew they had a plan. We knew that the Milosevic government had a plan to systematically uproot the Kosovars, to kill, to loot, to destroy the property records in a very systematic way. And we did not want to wait another year or 2 and let all these people die and all these refugees be created and then not come home.

If you look in Bosnia, here, we're sitting here in Sarajevo, and over a million people have still not come back. In Kosovo, because we moved immediately, 90 percent of the refugees have already gone home.

So if the Serbs are mad at me, I understand that, and I accept it as part of the inevitable consequences of a terrible conflict. But I want them to know they can continue to be mad at me, but the United States does not hate Serbia. We do not have anything against the Serbian people. Our country is a better country because we have so many Serbs in America. And I want to be involved in the reconstruction of Serbia, and I want Serbia to have a leading role in southeastern Europe in the future.

But we have got to put an end to ethnic cleansing. The politics that have driven Mr. Milosevic's government and power for the last 12 years have got to be put aside. The idea of racial or religious superiority has got to go into the dustbin of history.

And I'm very sympathetic with it. It had a big hold on America—you know, the idea that whites were superior to blacks had a big hold

on America. We didn't elect a Catholic President until 1960 in the United States. I understand these things. But you can't—we've reached a point now where we can no longer sanction this sort of slaughter. And I think it's a good thing for the world. So the people can be mad at me, but they need to know Americans have nothing against Serbs. We opposed what Mr. Milosevic did.

And the third question you asked me was about my impressions of Mr. Milosevic. I am reluctant to say much, you know, because at home people are always psychoanalyzing me. You know, they meet President Clinton, "Why was your President, President Clinton?"

I think he is a very intelligent man. I think that he can be charming. But I think there are two problems that he has, that have proved fatal. Number one, he has built his political power on the idea of the religious and ethnic superiority of Serbs and their inherent right not only to be a part of but to completely dominate whatever he decides is Greater Serbia. He thought it was what is generally the Republic Srpska, now, in Bosnia. He took the autonomy away from Kosovo, which it once had. Now you have Hungarians in Vojvodina, and you have the Montenegrins worried, because he basically has created this fear, this paranoia, in the Serbian population, and then he fed it, like a fire, with the bodies and lives of others.

Now, you know, there were other excesses in this region. The others are not pure. But he created this whole thing, and he drove it home in Bosnia, and then he drove it home in Kosovo. And I think he had—in other words, I think he had a dark and terrible idea.

The other thing I observed from watching him is, perhaps because of the tragedies of his own life—he had terrible tragedies, you know, as a child, with his parents and all—I feel very badly about it, but I don't think he feels the way normal people would feel when they make decisions that cost people their lives.

I know, you see, I know when I ordered those airplanes to fly over Serbia, I knew innocent people would die, and I hated it. And the only reason I did it was because I knew I was saving many, many tens of thousands of people's lives, more than would die.

I think to him it doesn't matter. That's the only thing I can conclude. After watching 250,000 people die in Bosnia and seeing these stories of these children raped and these chil-

dren—they were draft-age boys—killed en masse, and these people wrapped up in a circle and burned alive, and it happens over and over and over again—I can only conclude that he has no—for whatever reason, he doesn't have normal feelings.

So those are my two problems with Mr. Milosevic. I think this idea of ethnic and religious superiority is the biggest threat to civilization in the world today, not just in the Balkans—Northern Ireland, the Middle East, Africa, you just go right down the line, everywhere in the world. In the United States—we had a guy go crazy the other day and kill a bunch of people of different races in the United—did you see it? In two States?

Q. Yes.

The President. Killing these people. Why? Because he belonged to some crazy religious cult that convinced him he had the right to do that.

So that's what I feel. I think it's quite a tragedy because he's an intelligent man, and he can be an engaging man. And I talked to him in Paris, and I thought we had an understanding. I was quite surprised actually in the beginning—he knew after what I did in Bosnia that I would do this. So I don't know how he could have thought I was bluffing him after what we went through in Bosnia, when I said, "If you do what you intend to do in Kosovo, this is what I will do." He should have been under no illusion. I think he thought maybe the other Europeans wouldn't stay hitched.

But I made a decision—I agonized through 2 long years of what we went through in Bosnia, and I was not about to let all those people die again. I just was not. I couldn't do it. So, anyway, that's my impression. I think it's quite a tragedy really, because he has a lot of ability.

Q. Thank you.

Bosnia After the Dayton Accords

Q. Mr. President, we talk about—what is the basis for the optimism regarding peace Stability Pact for the Balkans if we know how little politicians from the former Yugoslavia work on the implementation of the Dayton peace agreement?

The President. I would make two points. First of all, I think both here and perhaps in Europe and the United States, we tend to underestimate how much progress has been made in Bosnia

since Dayton. That is, there are common governmental institutions; there's a common currency. After the economy was completely destroyed, it's been growing at about 40 percent a year since then. I realize it's got a long way to go because it was at nothing. The shared institutions have functioned in many ways. So I do not believe that we have made no progress. I think the biggest problem with the Dayton agreement is we still have 1.2 million refugees who haven't come back. And the return of refugees in areas where they are minorities is still very slow.

But if you look at the leadership of Mr. Dodik in the Republic of Srpska, for example, I think he's been quite a progressive, cooperative person. I met with both Prime Ministers today, as well as the three Presidents.

So what I draw from watching what has and what hasn't happened since Dayton is that we need more help to this whole in governance, that is, what kind of legal changes do you have to make to get people to put their money in your country and put your people to work? How do you fight, more effectively, crime?

But the crime problems in the Balkans—you know, that we have organized crime all over the world now—it's not just here. So it's just really a question of do you have the capacity to fight it. You shouldn't feel that there's something wrong, intrinsically wrong with your region because you have this organized crime problem. It's everywhere in the world. So the real issue is, do you have the capacity to fight it? We have to build that. So I think that's important.

Now, in addition to that, the reason I'm optimistic about the Stability Pact is that I think that the experience of Kosovo, coming after the experience of Bosnia, was very sobering for me and for the European leaders. And I think we saw clearly that if we didn't want another Balkan war, we had not only to take a strong stance against Mr. Milosevic and against ethnic cleansing; we had to offer a better future for all the people of the region. There had to be a way to bring people together around a common economic and political future within the region, and then a way to bring the region closer together with the rest of Europe and to keep us involved in a positive way.

So that's why I'm optimistic. I think that all these people who came here today, I think they understand that. I don't think they're kidding. I think they really know that.

Well, let me make one other point, back up if I might. In 1993, when I became President, I realized that we had fought two World Wars in Europe; that we had had this long cold war with communism in Europe; that before the 20th century, Europe for hundreds of years had been afflicted by wars as people sought advantage of land; and that for the first time ever, we now had a chance to build a Europe that was democratic everywhere, that was drawing together in a common political and economic union and that was at peace; and the biggest threat were the religious and ethnic conflicts of the Balkans.

I think now, after all this work of the last 6 years, we now know that unless we build a common economic future and a common political future, we're going to have—there will someday be another Balkan war. And that's why I'm optimistic, because I think we have learned our lessons, and I think we are ready to make this common commitment.

One more. Yes, let him ask one more, and then we've got to go.

Corruption in Southeast Europe

Q. With new power, we have new problem, corruption. Does the international community intend to fight against our corruption?

The President. Yes, but a lot of it is you have to do it yourself, and we have to help you fight against it because—and you see this everywhere. Again, a lot of former socialist states convert to democratic states and privatize property, but when we privatize—when we have private property in America, we also have strong economic institutions to preserve the integrity of the economy, to keep dishonesty out. We have strong, sophisticated law enforcement institutions, and even we still have problems. Everybody has problems.

So, I think you should—you shouldn't feel that there's something wrong with your country because this vulnerability is everywhere. And we have to—we will help you—we have to help you fight corruption. But you shouldn't feel that there's something really badly wrong with you; you should just fight it.

And one of the most important things is a free press. Keep in mind, in any society, most people are honest. In every society on Earth, most people are honest. And in most societies, the people who do turn to crime don't do it unless they have—they feel like they have no

other choice. That is, in any society, there are only a small percentage of people who deliberately decide to make money illegally.

But this is a worldwide problem we face, this corruption problem now. And if you will fight it, we will help you. And the press has got to be a major part of the battle.

Thank you.

NOTE: The discussion was recorded at 6 p.m. at Treca Gimnazija (Third High School) for later broadcast. In his remarks, the President referred to indicted war criminals Radovan Karadzic and Ratko Mladic; President Milo Djukanovic of Mon-

tenegro; Prime Minister Milorad Dodik of Republika Srpska; Prime Minister Edhem Bicakcic of the Federation Government (Muslim and Croat); Presidency Chairman (Serb) Zivko Radisic, Presidency Member (Croat) Ante Jelavic, and Presidency Member (Muslim) Alija Izetbegovic of Bosnia-Herzegovina; and Benjamin Nathaniel Smith who allegedly killed two and wounded seven in Illinois and Indiana before committing suicide on July 5. The transcript was made available by the Office of the Press Secretary on July 30 but was embargoed for release until July 31. A tape was not available for verification of the content of this discussion.

Radio Remarks on Proposed Legislation To Help Farmers *July 30, 1999*

As America's farmers look ahead to this year's harvest, what should be a time of reward and satisfaction is instead becoming a time of disappointment and for some, for too many, a time of ruin.

From dropping crop prices to diminishing foreign markets to devastating droughts in some parts of the country, many of our farmers and ranchers are facing the worst crisis in a decade. My administration has done what we can to ease this crisis, from increasing our food purchases for humanitarian aid around the world, to speeding up farm program payments, to ensuring \$6 billion in emergency aid last year to help farmers in need. To really help our farmers and ranchers, we have to fix the underlying problem.

Let's just face it: The 1996 farm bill simply does not do enough to help our farmers and ranchers cope in hard times. It doesn't give me or the United States Department of Agriculture the tools we need to help farmers and ranchers thrive over the long term, from providing critical income assistance to farmers who need it most in bad years to making it easier for farmers to buy crop insurance and improving our crop

insurance program to continuing our efforts to expand markets abroad and ensure fair practices here at home. That's the right way to help our farmers and ranchers over the long term.

I am committed to working with Congress to provide the resources to help our farmers and ranchers by dealing with today's crisis and by fixing the farm bill for the future. We must do so in a way that maintains the fiscal discipline that has created our prosperity and that now makes it possible for us to save Social Security, to strengthen and modernize Medicare with a prescription drug benefit, and to pay off our national debt, guaranteeing our long-term financial prosperity. These things are good for America's farming and ranching families, too, and they're good for all Americans.

NOTE: The President's remarks were recorded at approximately 10 p.m. aboard Air Force One at Aviano Air Base, Italy, for later broadcast. The transcript was released by the Office of the Press Secretary on July 31. These remarks were also made available on the White House Press Office Radio Actuality Line.